

The role and function of regional and local statistical offices; interactions with regional and local authorities

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1. Introductory remarks

The organisation of official statistics differs widely between countries, mostly reflecting the political and administrative structures of a given country. In many countries official statistics are the task of specialised statistical offices (examples are Canada, Australia and Germany), in others official statisticians work within statistical services which are part of the various ministries, for example in the United States of America, in Japan and in the United Kingdom. In the first case we speak of functionally centralised systems, in the latter of functionally decentralised systems.

Another distinction between statistical systems, and this is the topic of our morning session today, concerns the division of tasks and the cooperation between a National Statistical Office and regional and/or local offices. The reason why regional statistical offices are set up may be the size of a country or the type of state. Especially in a federal state like the Federal Republic of Germany the need for some kind of regional statistical organisation seems to be obvious.

In the following I shall explain in detail the statistical system in Germany, the roles and functions of the Federal and the regional statistical offices and the way they cooperate in their daily work. I shall try to work out the advantages and disadvantages of the German system and to show how we manage to come to common solutions without having a machinery entrusted with the power of resolving conflicts between national and regional offices.

In the second part of my presentation I shall analyse whether the German regionally decentralised statistical system in principle fulfills the requirements of an effective and efficient system. In this context I shall try to draw some conclusions, to expound which lessons could be learnt from the actual situation in Germany.

2. The system of official statistics in Germany

2.1 Close cooperation between the Federal Statistical Office and the statistical offices of the Länder

In Germany, the Federation and the Länder share the statistical tasks to be performed in line with the federal structure of the Federal Republic of Germany. According to the Constitution, the Federation is entitled to initiate and adopt laws in the field of statistics; in other words, it is authorized to have federal statistics produced. The application of such federal laws, however, is in general not a task to be performed by the Federation but by the Länder.

In addition to the legislative competence in the area of statistics, the Federation was given the power to set up an independent federal authority for statistics, that is the Federal Statistical Office. The tasks assigned to the Federal Statistical Office are mainly of such a type that they can only be properly fulfilled by a central agency. They include the following sets of tasks in particular:

- The methodological and technical preparation of federal statistics which is indispensable for obtaining uniform data for the whole of Germany.
- The coordination of the complex cooperation processes in the various fields of statistics, which has to ensure that federal statistics

are produced in the Länder without overlaps, according to the agreed uniform concepts, and in time.

- The compilation and dissemination of federal data.
- The cooperation with international and supranational institutions like the European Union and the United Nations and relations with statistical institutes abroad.

Uniform and timely data collection and processing up to the level of Länder results, however, is generally the task of the 16 statistical offices of the Länder.

In addition to these activities concerning federal statistics, the statistical offices of the Länder perform Land statistics, although the number of such statistics is relatively small.

Actually, the regional distribution of tasks between the Federal Statistical Office and the statistical offices of the Länder is nothing unusual, for there are similar structures in many large countries all over the world. A particular feature of the German system, however, is the fact that there is a strong decentralization not only of tasks but also of competences and decision-taking powers. The statistical offices of the Länder are not agencies subordinate to the Federal Statistical Office, but Land authorities which are entirely independent from the Federation in terms of organisation and funding. Consequently, it is not possible for the Federation to exert any influence on the organisation of, or the staff and funds available to, the offices of the Länder. Neither the Federal Statistical Office nor any federal ministry have any authority to give instructions to these Land authorities. Besides, the German system has many similarities to the European Statistical System.

Then what coordination mechanisms make it possible to obtain uniform results for all of Germany in spite of the missing "line function" of the Federal Statistical Office?

First of all the Constitution stipulates in general that the Länder and their authorities must implement federal laws – and this refers also to laws relating to individual statistics. Because specific laws or at least ordinances of the Federation are required for each statistical survey in Germany and these statistics laws contain in general very detailed specifications, uniformity regarding the essential parameters of the individual statistics is guaranteed from the start.

How all the various bodies of the German statistical system work together, especially how the Federal Statistical Office and the Länder offices cooperate can best be demonstrated by describing the process of developing a new statistics.

During the preparatory stage, a large number of questions concerning the objectives, the concept and the implementation procedures of the survey have to be settled. The federal ministry in charge of the respective subject matter, which has initiated the statistics, will consult the Federal Statistical Office early in the process to receive advice on the conceptual arrangements of the survey.

After the problems to be solved and the topics to be covered have been roughly outlined, the methodological and technical preparations for the statistics will start. From the very beginning they are aimed at securing uniform federal data suitable to be integrated into an overall statistical picture. It is one of the main tasks of the Federal Statistical Office to create uniform and harmonised methodological bases for all federal statistics. According to this aim, all the statistical components

should be made to fit in one consistent reporting system by using corresponding questions and definitions in the various surveys, as well as drawing upon comparable classifications etc. Care is also being taken from the very outset to limit the volume of the surveys to what is absolutely necessary and to utilise any possibilities of rationalisation and of reducing the burden on respondents.

Already during the process of preparing new statistics, permanent contact is of course maintained between the Federal Statistical Office and the statistical offices of the Länder to take into account sufficiently the interests of the Länder as users of data, especially regional data, on the one hand, and as producers of statistics on the other. In the preparatory stage of a new statistics conflicts can arise especially with regard to the sample size. Because the Länder are interested in having regional data in all fields of statistics they normally insist on sample sizes which allow to produce reliable regional data at least on a Länder level. From the viewpoint of the Federal Statistical Office and the Federal Ministries the samples should be as small as possible to limit costs and the burden placed on respondents. In most cases in the past the Länder succeeded in pushing through their plans because any legal act on statistics has to pass not only the first chamber of our Parliament, the Deutsche Bundestag but also the Bundesrat, that is the second chamber where the governments of the Länder are represented.

After a legal basis has been passed through both chambers of our Parliament, the statistical offices are authorized and obliged to implement the survey. The methodological and technical details of the implementation, which of course are not defined by law, are discussed and agreed upon at joint expert meetings with the statistical offices of the Länder. These groups of experts, that exist in all fields of statistics,

meet twice or three times a year, if necessary more often. The meetings are prepared and chaired as a rule by the Federal Statistical Office. It is the task of the chairperson to reach common solutions without having the power to give any instructions. Issues of fundamental importance and conflicts which couldn't be solved on the working level are settled at the regular meetings of the heads of the statistical offices. Since the Länder, too, are generally interested in having nationally uniform results at their disposal for their own purposes, all parties involved are willing to agree on uniform solutions.

The collection and the processing of data up to the Länder results is now the task of the Länder statistical offices. In this connection I can draw the attention to a procedure which helps to guarantee the uniform compilation of statistical data in the decentralised system. According to the maxim "One for all" a close cooperation exists between the Federal Statistical Office and the 16 statistical offices of the Länder in the field of data processing. For each statistics one of the offices is responsible for the development and maintenance of the computer programme used for data processing and tabulation by all offices.

The provision of the results brings the operation of federal statistics to a close. The Federal Statistical Office compiles federal results from the Länder results and publishes them, the Länder offices publish their results.

There is a clear division of work in the field of dissemination of statistical data between the Federal and the Länder offices. The Federal Statistical Office publishes data for the Federation as a whole. The geographical breakdown is limited to the Länder level. The publication of regional data below the Länder level sometimes, down to the level of

local administrations, is the task of the Länder statistical offices.

Dissemination of regional data by the Federation has to be allowed by the Länder offices.

2.2 Statistical committees in the regionally decentralised system

The multiplicity of statistical tasks, their distribution among several institutions and the necessity of coordinating the separate competences for the initiation, preparation, execution and evaluation of federal statistics were the reason for the establishment of several statistical committees. Since part of these committees comprise the same institutions and persons, it is possible to attain a high degree of coordination in the work formed by the various bodies.

The most comprehensive body, the Advisory Committee was set up to advise the Federal Statistical Office in questions of principle and selected problems of individual statistics of fundamental significance. It is composed of representatives:

- of the ministries initiating prospective statistics – which are also the most important users of statistics,
- of the statistical offices producing statistics,
- of other users of federal statistics, that is, in addition to the federal ministries, for instance, the trade unions, science, and enterprise associations
- and of the respondents.

The Advisory Committee is chaired by the President of the Federal Statistical Office.

Detailed deliberations on individual statistics and discussions of special methodological and technical questions are held at the expert committees, which have been set up by the Advisory Committee and by the statistical offices for practically all statistical fields and which are composed just as the Advisory Committee.

For the discussion of questions concerning in particular the statistical offices, the Heads of the Federal Statistical Office and the Länder Statistical Offices meet at special conferences on a regular basis three times a year. The Conference of the Heads of Offices has appointed the Committee "Organisation of work", the Committee "Program of federal statistics", the Committee "Statistical Questions of the European Communities" and the Committee "Marketing" to prepare the conferences of the Heads of the Offices. Moreover the experts of the Federal Statistical Office and of the Länder offices in all fields of statistics meet frequently to discuss and decide common methodological and technical questions.

The Inter-Ministerial Committee for Coordination and Rationalization of Statistics has been constituted to adjust and coordinate the requests of the initiators of federal statistics. The committee comprises representatives of certain Federal Ministries, the Federal Audit Office and the Federal Statistical Office as permanent advisory members.

2.3 The role of local administrations in the field of official statistics

The collection and processing activities for most of the federal statistics are performed by the statistical offices of the Länder. In some cases, however, it proved advisable to entrust the local administrations with the distribution and collection of the questionnaires and with the checking work required. This applies first of all to large-scale censuses,

but also to continuous surveys, in particular in the field of population and agricultural statistics.

Generally, larger towns and cities have their own statistical office, whereas the statistical agencies of smaller towns are attached to other local authorities. The main task of communal statistical offices is, however, not the collection of data for federal and Land statistics but to compile their own separate statistics and perform evaluations used for purposes of urban planning and urban research.

3. Lessons drawn from the German example

In the following I should like to analyse whether the German regionally decentralised statistical system in principle fulfills the requirements of an effective and efficient system and to see what lessons we can draw from the experience described.

I will start the analysis by repeating a remark I made at the beginning of my presentation.

Statistical systems in whatever country strongly depend on the specific political and administrative circumstances. Solutions in one country which seem to be best or at least good practices are often not applicable to others. But on the other hand practical experiences gained in another country can help to support our own search for solutions.

Irrespective of its structure the objective of a statistical system should be to provide all groups of users – be they interested in national or in regional data – with statistics of high quality that meet, within available resources, the users needs. The system should work efficiently with a

clear aim to limit the burden of respondents and to provide value for money.

In the following I shall present some key elements of a statistical system and especially a decentralised system which are of great importance for the acceptance and the effectiveness of the system. Together with that I shall explain how these key elements are addressed in the German system and whether the solutions are sufficient in my opinion.

3.1 Allocation of roles

In a system of official statistics that is decentralised – in regional or functional terms – the roles, responsibilities and competences of all those involved must be clearly defined and their funding must be clearly arranged. The distribution of roles and tasks should reflect the special abilities and strengths of any institution involved – to the benefit of the overall system.

Generally speaking, the German system of regionally decentralised official statistics meets that first requirement quite well. The law on federal statistics defines not only the tasks of the Federal Statistical Office as the central institution, but also the tasks of the regional statistical offices of the Länder. The Federal Statistical Office is entrusted with the functions of planning, conception and coordination as well as the aggregation of all Länder results to form the federal result. Tasks of that kind may reasonably be performed only by a central institution, if it is to be ensured that user needs are comprehensively taken into account, that the results of individual statistics which are produced by all parties involved are comparable in terms of space and time and that they can be combined with each other. As a rule, the statistical offices of the Länder perform data collection and data processing. Due

to their regional distribution over the entire national territory, they are closer to the respondents and have better knowledge of the relevant region's particularities in the economy and the society. Also, access to administrative data usually is easier for the statistical offices of the Länder, because – again as a result of the federal structure of Germany – most of the administrative data are available at Land authorities and the statistical offices of the Länder are part of the Land governments. Exceptions to the decentralised production of data are possible only if in a law on a specific statistics the roles of the institutions involved are distributed differently because of special circumstances. The funding of official statistics in Germany is in line with the pattern that applies to the whole administration: Every level pays for the tasks it is entrusted with. Decisions about the amount of funds available are taken only by the level performing the relevant tasks.

As a conclusion from that first item, we might say that in a decentralised statistical system it appears indispensable to have legal provisions regulating the roles of the various actors and their funding. This seems to be a necessary, but not a sufficient condition for systematic and effective cooperation.

3.2 Joint programme planning

A second requirement for a decentralised system to work smoothly is coordinated or joint programme planning, based on a large-scale discussion with users. As the demand for statistical information theoretically is infinite and the funds available are limited, any programme planning needs priorities to be set. For conflicts arising here, the system should offer ways to find solutions. If the funding of a regionally decentralised system is provided by the various levels involved, the setting of priorities must take into account that all levels will

benefit from the statistics produced. Priority setting must also include taking reasonable account of the burdens placed on respondents.

The lack of systematic and comprehensive programme planning is a shortcoming of the system of German official statistics which – however – was not considered as such for a long time. As in Germany every single statistics – with very few exceptions – must be ordered by law, we generally have a kind of statistical programme at any point in time, that is the total of all statistics ordered by law.

It is absolutely binding for all those participating in the system - that is the Federal Statistical Office and the statistical offices of the Länder - and it is permanently continued and updated by new laws being adopted and old ones being abolished. Both government levels participating in the statistical system – the Federation and the Länder – are involved in legislation. Consequently, we might actually say that in Germany decisions about priorities in the field of statistics are made by the highest sovereign level in the state structure, which is the legislative.

However, the programme described has a major shortcoming. The total of all statistics ordered by law is only a list of all statistical surveys, that is the input to the statistical system. What should be the focus of programme planning, however, is the output of the statistical system, the total of information to be provided to the users. This includes not only the results of individual surveys but also the results obtained through combining various statistics, through performing additional estimations, and the like. Plans are on the way to improve strategic planning and programme planning in the German system of official statistics.

As a conclusion from what I just explained on programme planning in the regionally decentralised statistical system in Germany, we may first of all say that the shortcomings mentioned are not at all inherent to the

system. Comprehensive and systematic programme planning is definitely possible in a decentralised system, and I should like to add it is absolutely necessary. However, it requires that all those involved are willing to cooperate in the planning process and that the Federal Statistical Office performs the necessary coordinating functions.

What is inherent to the German system, however, is another shortcoming of the statistical programme in Germany. As all statistical surveys must be ordered by law, and as any legislation is an extremely time-consuming process, German statistics shows a clear lack of flexibility also on the output side. Reaction to new phenomena is possible only to a limited extent and/or with delay. In a system in which offices at different state levels cooperate to achieve a common goal and where they are funded by their own state level, it is true that a mechanism is required that ensures successful cooperation and the achievement of the common goal. But that mechanism should be a strict coordination of all measures within the system, rather than a legal order for every single measure.

3.3 Uniform standards and a common set of fundamental methodological rules

Thirdly, in a decentralised system it is necessary that uniform classifications and standards are used and that fundamental methodological rules are followed. The methods applied do not necessarily have to be entirely the same in every individual case. But we must be able to guarantee that, finally, the individual results for the regions are comparable with each other and that the result for the overall state is the total of values that can be added up or can be aggregated in some other way. In this context, the system should

include regular quality assessments and comparisons between procedures, in order to permit learning from the best one in every field and thus to further develop the system as a whole. Such further development includes the participation in international discussions on standards and methods and the integration of new international findings and requirements into one's own system.

Basically, the German statistical system is designed in a way that the production of comparable results in the regions is guaranteed. The methodological and technical preparation of every single statistics through the Federal Statistical Office, as provided for by law, and the Federal Statistical Office's coordinating role for the cooperation between the statistical offices are important prerequisites to achieve that goal. However, the German statistical law has set very narrow limits to exerting influence, maybe too narrow ones. The Federal Statistical Office cannot decide about specific procedures to be followed – all it can do is discuss things with the statistical offices of the Länder and try to persuade them to apply such procedures. In case of conflict, there is no clear mechanism of decision-making, not even the principle of majority decisions. So, consensus must be reached, which in some cases is just the insufficient lowest common denominator, although there is a large number of coordinating committees. The same is true when it comes to assessing the quality of products and to comparing the procedures followed by the individual offices. All those things can be done only if there is agreement – and consequently, they are not done frequently enough.

International cooperation, both with regard to the discussion of standards and methods and the data supply to supranational and international organisations, is one of the tasks of the Federal Statistical

Office. Because of the division of labour provided for by law, the statistical offices of the Länder do not get involved very often in international cooperation. As a consequence, Germany does not enough participate in international methodological discussions in the field of data collection and processing, where it is the statistical offices of the Länder that have the best expert knowledge in Germany.

A positive form of cooperation is, as I mentioned earlier, the division of labour in the development of computer programmes in the sense of "one for all". To improve the efficiency of the overall system, this should be extended to cover other work steps of the statistics production process, for example by setting up competence centres for specific sub-stages of statistical production or for specific statistical areas.

The German example shows that it is not sufficient to entrust a central authority with the tasks of developing the concepts of statistics and coordinating the joint activities, unless that institution is also granted a strong role in decision-making. In case of conflict, a procedure is required that permits to take decisions covering more than just the consensus of the lowest common denominator. That procedure should not leave the final decision to the central office alone – instead, it should force the central office to find support from at least some of the regional offices in order to arrive at a majority decision.

3.4 Coordinated data dissemination

A key element of official statistics that is of growing importance is the way data are disseminated. What the user expects from the statistical offices is the provision of comprehensive, reliable and up-to-date statistical information and easy access meeting users needs. By giving additional information on the quality of the data, the offices can show

their openness. In a decentralised system, it should be made possible to users to get access to all products of the system through any of the participating offices, following the "one face to the customer" principle. A common identification mark, for example a logo used for all products of official statistics of the country concerned, makes it easy for users to identify the products of the system of official statistics.

In Germany, close cooperation between the Federal Statistical Office and the statistical offices of the Länder in the sphere of dissemination has been recognised as essential by all parties involved and is intensively applied. Over the past two years, a joint marketing concept has been developed with common principles of dissemination and with a common pricing and licencing policy. The statistical offices of the Federation and the Länder have defined a minimum publication programme for regional data, which is provided in a comparable form by all Land offices. This dataset is available on CD-ROM, on disc or as a printed publication with exhaustive descriptions of the metadata. In the near future, access will be possible via a jointly developed data warehouse system. A common Internet portal is currently being developed.

A particularly important project focuses on setting up research data centres permitting the scientific community to access microdata. With its research data centres, official statistics deals with the scientific community as an entity because researchers at any location will have access to all data available for that purpose, irrespective of where such data are stored.

The conclusion for this item is a short one. A common dissemination policy can be implemented in any decentralised statistical system. This is shown by the German example where offices with far-reaching

administrative independence are cooperating. A decentralised system has considerable advantages for the customers because the regional offices are "close to their customers", both in terms of location and in terms of knowledge. As the regional statistics are a major focus of the activities of the regional offices, that range of data will generally be better developed here than in strongly centralised systems.

3.5 Common reputation for credibility and professionalism

As a fifth and last core element of a decentralised system, I would like to point out the credibility of every single element of the system. Such credibility is derived from the professionalism and scientific independence in data production, from the objectivity and neutrality of the institutions, in particular with regard to data dissemination, and from safeguarding the interests of the respondents, both regarding the limitation of burdens placed on them and the strict adherence to the principle of statistical confidentiality. Altogether, we are talking here about the strict application of the Fundamental Principles of Official Statistics, which were adopted by the United Nations Statistical Commission in the early nineties. It is important in a decentralised system that all system components observe those principles, because the reputation of the overall system may be severely damaged even if the principles are violated in just one agency.

In Germany, objectivity, neutrality and scientific independence of the statistical offices of the Federation and the Länder are laid down in the statistics law. In addition, there are detailed rules for statistical confidentiality. Those legal provisions are a good precondition for an application of the principles, although they are not at all sufficient. It is essential that the principles are filled with life in everyday practice and

that they are defended where necessary. This has always been the case in Germany; the statistical system is considered trustworthy.

To sum up it seems recommendable that the major principles of official statistics should explicitly be laid down in a statistics law which should be applicable to the system as a whole. Especially the independence of official statistics should be emphasised. Independence should explicitly include not only the selection of adequate methods but also the independence of the statistical system from political interference as regards the publication of its data.

4. Conclusion

In conclusion I should like to say that a regionally decentralised statistical system as it exists in Germany can work effectively. I may add that the German system has already worked for more than 50 years, and with not too bad results. Compared with a centralised system, decentralisation has at least in large countries some clear advantages: the system ensures that statistics are produced in close contact of the Länder statistical offices with the respondents, utilizing the statistical offices' detailed knowledge of regional particularities. Specific regional features and framework conditions of the different Länder can be considered in preparing the concepts of statistics. Moreover this organisation guarantees that the Länder specific data requirements are sufficiently taken into account and that a comprehensive programme of regional statistics will be built up and maintained.

On the other hand, a regionally decentralised structure of a statistical system has its shortcomings. In particular, the planning and coordination of work and the processes of decision-making within the system are

complex and time-consuming. Moreover, delays may occur in providing federal results, the reason being that statistics produced on a decentralised basis cannot be compiled and published until all or nearly all statistical offices of the Länder have supplied their data. So it is really the Land office with the longest processing time that determines the up-to-dateness of federal data.

A special feature of the German decentralised statistical system, as I already mentioned earlier, is the entire independence of the statistical offices of the Länder from the Federal Statistical Office in terms of organisation and funding. Moreover the Federal Statistical Office has no decision-making powers in methodological questions. This means that decisions on methodological issues can be taken only in consensus, that they generally are reached only after long discussions and that the compromises reached at the end of the process are not always the best solutions possible. The awareness that common solutions have to be found is helpful in many cases, but not always. That lack of mechanisms for solving conflicts certainly is one of the weak points in the German system which I would like to draw your attention to and which should definitely be avoided when setting up a statistical system.

The division of tasks but also of competences and decision-making powers as it exists in the German statistical system is the reason for another weakness of the system. Uniform results for the Federation can be guaranteed only by the fact that statistics are ordered by law and, more specifically, by laws regulating a large number of details of the statistics to be produced. This, however, results in a lack of flexibility of the statistical system, which is a shortcoming not to be disregarded in our time with its rapid economic and social changes. Again, solving this problem will be possible only by granting to the central institution

more decision power over the regional institutes. But this is an issue that has to be solved in every country according to the country's situation.